GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:6133
ANSWERED ON:05.05.2003
FEASIBILITY STUDY ON HIRING AIRCRAFT
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Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether any feasibility study is carried out before hiring aircraft on lease for Indian Airlines and Air India;

(b) if so, the details and basis for such study;

(c) whether results have been in accordance with the study; and

(d) the details of estimate and result during the last three years?

Answer

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK)
(a)& (b): Yes, Sir. In Indian Airlines, the feasibility studies of offered aircraft are undertaken in terms of their technical suitability with the laid down DGCA requirements and its commonality with the existing fleet maintenance and training infrastructure, manpower resources. In Air India feasibility study is undertaken before the aircraft are leased
(i) to evaluate the technical and operational feasibility and the proposed pattern of operations with the aircraft after leased, and
(ii) to evaluate economic viability of the proposed induction based on estimates of incremental revenues, costs and profits that are expected to result from the proposed induction.

(c) & (d) : It is difficult to have separate results for each dry leased aircraft. Aircraft are not dedicated to a particular route and all the aircraft (both owned and leased) are treated as an integrated fleet. Consolidated cash margin earned on the dry lease A-310 fleet of Air India are as under:-

Year	No. of flights	Cash Margin (Rs. in lakhs)
2000-01	280	1685.30
2001-02	2333	11200.02
April-Sept,2002	1335	3998.21

As regards Indian Airlines the information is being collected and will be laid on the Table of the House.